The FERC Enforcement Hotline

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History – the How and Why



In June of 1987, former Chairman Martha Hesse created the Enforcement Task Force (now the Enforcement Hotline) as a mechanism for informally receiving complaints of discriminatory activities by gas pipelines.

"The Commission has received numerous allegations of alleged anti-competitive activities," and "I have decided there must be an administrative mechanism to examine and resolve such matters quickly and effectively to ensure an efficient and competitive natural gas market. Formal administrative procedures, while sometimes necessary, may be too cumbersome and time consuming for matters that can be resolved through a more flexible, informal process."

Natural Gas Industry



The Task Force initially focused on allegations of undue preference or discrimination regarding natural gas pipelines and their marketing affiliates.

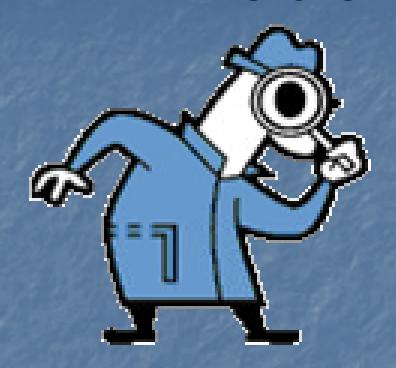
Over time, the gas industry and landowners have used this service to address many kinds of market-related and pipeline construction issues.

Task Force Expanded to Include Electric Industry

- The Commission expanded the Task Force on March 28, 1991, to include the electric power industry.
- The Commission believed that the successful, informal dispute resolution process should also be applied to the emerging and increasingly competitive electric market.
- Today the Hotline will address any question or complaint relating to its jurisdictional entities.



Role of the Hotline



OMOI's purpose is to ensure vigilant and fair oversight of the operation of the nation's natural gas and electricity markets. The Hotline provides a forum for market participants and the public to complain or ask about market activities or transactions that may be an abuse of market power, an abuse of an affiliate relationship, tariff violations, or other possible violations by FERC jurisdictional entities.

Legal Basis for the Hotline

Section 307 of the Federal Power Act, 16 U.S.C. § 825f, and Section 14 of the Natural Gas Act, 15 U.S.C. § 717m authorize the Commission to conduct necessary investigations to aid in the enforcement of these statutes. The Hotline regulations are found at 18 C.F.R. § 1b.21 (2002).



Who should use the Hotline?



Or your client, or any market participant

Intake Process



Step 1: Contact the Hotline by phone or email

Step 2: Describe your complaint or question to a FERC Enforcement attorney

Step 3: The attorney will then informally and expeditiously address your matter.

Hotline ADR

The Hotline does not make Commission policy but rather provides a way of addressing industry misunderstandings and conducting informal dispute resolution.



Some Examples of Hotline Matters

- Complaints about bidding anomalies
- Price spikes
- Inappropriate use of certain financial instruments
- Fluctuations in available capacity on electric transmission lines and natural gas pipelines
- Interconnection discrimination
- Improper market affiliate transactions
- Landowner complaints about pipeline construction

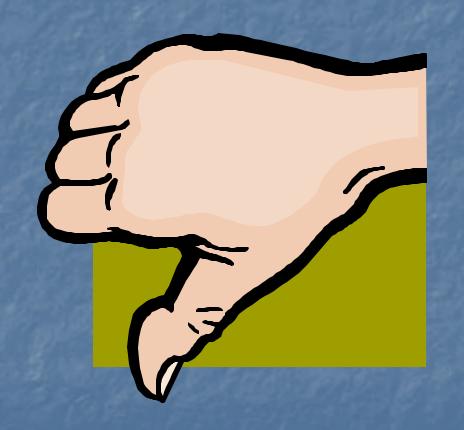


Procedural Information

- Hotline advice is informal and non binding on the Commission.
- All Hotline matters are treated confidentially and may also be anonymous.
- Matters are addressed informally and expeditiously.
- Some matters as warranted may be referred to the OMOI Division of Enforcement for investigation.

When the Hotline will not Intervene

- Disputes involving compensation or easement agreements between landowners and natural gas pipelines
- Matters before the Commission in docketed proceedings
- Matters purely involving retail sales and service that should be raised with state Public Service Commissions



Ways to Reach the Hotline



By phone at 1-888-889-8030



Or By e-mail at hotline@ferc.gov